

GENERAL INFORMATION

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority when examining financial institutions subject to its supervision to assess the institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operations of the institution. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the Community Reinvestment Act (CRA) performance of **M&I Northern Bank, Brookfield, Wisconsin**, prepared by the **Federal Reserve Bank of Chicago**, the institution's supervisory agency, as of **December 1, 1997**. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This assessment area evaluation may include the visits to some, but not necessarily all of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 228.

INSTITUTION-S RATING: This institution is rated Satisfactory.

The bank's lending performance is very strong as reflected by a high six-quarter loan-to-deposit ratio. A substantial majority of the bank's lending is within the assessment area. Although large areas with a lack of lending activity were noted in Milwaukee County, these areas generally corresponded to affiliate M&I branch locations. The bank's community development lending and participation in loan programs targeted to low- and moderate-income borrowers also reflect responsiveness to community credit needs.

Although the bank did not have a high level of qualifying activity under the investment test the level of affiliate investments/grants within the assessment area, was considered in the performance context. The bank provides a high level of community development services; banking services are accessible to all portions of the assessment area through the bank and its affiliates.

The following table indicates the performance level of **M&I Northern Bank, Brookfield Wisconsin**, with respect to the lending, investment and service tests. Based on the component test ratings for large banks, the assigned composite rating is satisfactory.

PERFORMANCE LEVELS	<u>M&I NORTHERN BANK</u>		
	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X		X
Low Satisfactory		X	
Needs to Improve			
Substantial Noncompliance Noncompliance			

*Note: The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

DESCRIPTION OF M&I NORTHERN BANK-S ASSESSMENT AREA

The bank-s assessment area encompasses Milwaukee and Waukesha Counties in the Milwaukee-Waukesha MSA-5080. There a total of 361 census tracts in the assessment area, with the following census tract income distribution: 78 low- income, 68 moderate- income, 148 middle- income, 67 upper- income census tracts.

Approximately 40% of the census tracts comprising the assessment area are low- or moderate-income; three of the low- income census tracts in the assessment area have zero population or zero households. Based upon 1990 census information, 1,263,990 people reside in the assessment area. The following chart depicts population levels in the assessment area-s low, moderate, middle and upper income census tracts:

Assessment Area Population by Geography		
Census Tract Income Level	Population	% of Total Population
Low	183,173	14.50

Moderate	194,448	15.40
Middle	554,045	43.80
Upper	332,324	26.30

Census data also revealed: that, 63% of the individuals residing in low- income census tracts are Black (115,432 individuals); 3.2% Asian (5,781 individuals) and 11.0% are of Hispanic descent (20,227 individuals). Minorities comprise slightly over 21% of the total population in the assessment area. The assessment area median family income of \$38,051 is slightly below the MSA median family income (\$39,005) yet, is above the Wisconsin State family median income of \$35,082. Income distribution by family income level is displayed in the following table:

AREA/Number of Families	Low Income Families		Moderate Income Families		Middle Income Families		Upper Income Families	
	#	%	#	%	#	%	#	%
Assessment Area 325,904	68,301	21.0	58,082	17.8	82,157	25.2	17,364	36.0
State of Wisconsin 1,284,297	230,129	17.9	240,790	18.7	339,926	26.5	473,452	36.9
MSA 5080 372,335	72,783	19.5	65,741	17.7	95,280	25.6	138,531	37.2

Housing in the assessment area consists primarily of owner-occupied single-family units, however, there is a higher percentage of duplex and triplex units in the area. The following charts depict assessment area housing information:

HOUSING DATA	ASSESSMENT AREA	Percent of Total
Owner-Occupied Units	276,149	55.1
Total Rental Units	281,062	40.5
Vacant Units	24,309	4.4
Total Housing Units	501,167	

HOUSING DATA	ASSESSMENT AREA	WISCONSIN STATE	MSA-5080

HOUSING DATA	ASSESSMENT AREA	WISCONSIN STATE	MSA-5080
1- Unit (Single-Family)	54.8%	67.7%	56.9%
2-4 Units	22.9%	13.5%	21.5%
5 and More Units	20.3%	12.6%	19.5%
Built Pre-1950	39.5%	36.8%	37.8%
Median Housing Value	\$73,699	\$62,141	\$76,108

By comparison, the assessment area's owner-occupancy (55.1%) and single-family housing percentage (54.8%) are slightly below the Wisconsin State owner-occupancy (59.1%) and single-family housing percentage (67.7%). In contrast with the state, there is a relatively higher level of multifamily housing in the assessment area. Despite comparable median housing ages between the state and assessment area, the assessment area and MSA median housing values (\$73,699 and \$76,108 respectively) are higher than the median housing value for the State of Wisconsin (\$62,141).

The assessment area economy is strong and diversified, with a number of large manufacturing and service- businesses located in Milwaukee and Waukesha Counties:

Employer	City	Number of Employees	Product/Service
Ameritech	Milwaukee	4,100	Phone & cellular services
Allen-Bradley Co.	Milwaukee	3,900	Electronic control devices
Aurora Health Care	Milwaukee	9,000	Regional not-for-profit health care
Briggs & Stratton Corporation	Wauwatosa	7,000	Small gasoline engines
Carson Pirie Scott & Company	Milwaukee	2,200	Department Stores
The Fleming Co.	Waukesha	2,000	Food wholesaler
GE Medical Systems	Waukesha	3,400	Diagnostic Imaging Systems
Harnischfeger Industries	Brookfield	2,000	Mining equipment
Johnson Controls	Glendale	2,500	Building control systems
Marcus Corporation	Milwaukee	2,700	Hotel, movie theaters
Miller Brewing Company	Milwaukee	3,300	Beer and malt liquor

Employer	City	Number of Employees	Product/Service
Quad/Graphics	Pewaukee	4,000	Printing

October 1997 Wisconsin Labor Market information indicated a decrease in the unemployment rates for Milwaukee County, Waukesha County, and MSA-5080 from September 1997 levels. The Milwaukee County unemployment rate decreased from 4.3% in September, to 3.7% in October. Waukesha County and MSA-5080 unemployment rates also decreased from 2.4% and 3.5% respectively in September, to 2.0% and 3.1% in October.

DESCRIPTION OF INSTITUTION

M&I Northern Bank, with total assets of \$449 millions as of September 30, 1997, is an affiliate of Marshall & Isley Corporation, a multi-bank holding company based in Milwaukee. Although primarily a commercial bank, (commercial-industrial and commercial real estate loans together comprise approximately 70% of the loan portfolio) the bank offers a variety of consumer loan and deposit products. The bank operates three full-service facilities and two deposit taking offices located in Milwaukee retirement homes. Additional service is also offered at four automated teller machines (ATMs) located in Waukesha and Milwaukee Counties.

The bank derives local competition from a number of financial institutions, including; Bank One, Firststar Bank, West Allis Savings Bank, Waukesha State Bank, Wauwatosa Savings Bank. Additional competition is also provided by institutions such as Tri-City Bank (Milwaukee), Citizens Bank- Mukwonago, and South Milwaukee Savings Bank. The bank's relationship with its larger affiliate in Milwaukee, offers additional convenience to consumers, however the affiliate also provides competition for loans and deposits, particularly in Milwaukee County.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Management has developed and implemented policies and procedures supporting nondiscrimination in lending. The bank is in compliance with the substantive provisions of anti-discriminatory laws and regulations, including the Equal Credit Opportunity Act and Fair Housing Act.

LENDING TEST

The bank's loan portfolio was reviewed to analyze the institution's lending volume geographic distribution of loans, the distribution of lending by borrower characteristics, community development lending and the use of innovative and flexible lending practices.

Lending Volume

Review of the bank's September 30, 1997 Consolidated Report of Condition revealed a net loan-to-deposit ratio of 91.17% and a net loan-to-asset ratio of 77.13%. Commercial and industrial lending comprised over 42% of the loan portfolio; commercial real estate lending

comprised 28% of the loan portfolio, which reflects the bank's strengths as a commercial lender.

According to the Uniform Bank Performance Report (UBPR), dated September 30, 1997, the composition of the bank's loan portfolio as compared to peer is illustrated in the following chart.

LOAN TYPE	BANK AVERAGE LOAN MIX (%)	PEER AVERAGE LOAN MIX (%)
REAL ESTATE LOANS		
Construction/Development	9.74	4.29
1 - 4 Family Residential	12.25	30.99
Home Equity	3.23	2.43
Other Real Estate	29.95	24.98
Farmland	0.37	0.59
Multi-family	0.12	1.39
Commercial	29.46	20.89
TOTAL REAL ESTATE LOANS	51.95	64.40
LOANS TO INDIVIDUALS	2.48	11.71
CREDIT CARD LOANS	0.76	0.51
COMMERCIAL & INDUSTRIAL LOANS	43.54	16.70
AGRICULTURAL LOANS	0.18	0.51
MUNICIPAL LOANS	1.69	0.42
OTHER LOANS*	0.17	0.30
*Excludes Financial Institution Loans, Acceptances of Other Banks, Foreign Office Loans and Leases, and Lease Financing Receivables		

Review of the loan portfolio with respect to peer also revealed the bank's strengths as a commercial lender. The bank's commercial industrial and commercial real estate lending significantly exceeded peer level, while the overall level of real estate and consumer lending were well below peer level. Discussions with community contacts did not indicate that the bank's level of consumer lending was a community concern.

The following table depicts six-quarter average loan-to-deposit ratios for the bank and a sample of competing financial institutions in the assessment area:

Loan-to-Deposit Ratio of M&I Northern Bank, Its Nationwide Peer Group, and Other Local Competitors (Ranked from Highest to Lowest Six-Quarter Average Loan-to-Deposit ratio)								
	Assets at 6-30-97 (Millions)	Loan -to-Deposit Ratio						
		09-30-97	06-30-97	03-31-97	12-31-96	09-30-96	06-30-96	Average
Bank One, Wisconsin	\$8,963.4	105.91%	106.99%	103.31%	109.83%	119.83%	141.58%	114.58%
Guaranty Bank, SSB	\$461.6	108.25%	109.09%	114.65%	122.85%	111.75%	109.78%	112.73%
Great Midwest Bank, SSB	\$369.7	109.36%	110.46%	114.45%	115.19%	110.62%	107.84%	111.32%
South Milwaukee Savings Bank	\$179.7	113.95%	116.32%	114.62%	110.61%	103.81%	102.35%	110.28%
The Equitable Bank, SSB	\$348.6	109.51%	112.62%	111.12%	111.38%	104.74%	98.17%	107.92%
Wauwatosa Savings Bank	\$621.4	104.48%	105.11%	102.62%	104.56%	104.33%	104.03%	104.19%
First Bank of Oconomowoc	\$157.3	105.41%	102.37%	103.76%	99.82%	100.95%	92.87%	100.86%
M&I Northern Bank	\$441.4	91.17%	92.53%	92.36%	88.66%	88.05%	86.86%	90.03%
Firststar Bank Milwaukee N.A.	\$8,075.3	94.16%	92.00%	86.30%	76.94%	83.27%	86.59%	86.54%
Associated Bank Milwaukee	\$725.7	95.39%	89.92%	89.01%	79.49%	80.58%	83.34%	86.29%
Mutual Savings Bank	\$1,806.5	95.72%	97.03%	81.96%	81.89%	80.70%	79.34%	86.11%
State Financial Bank	\$256.3	76.51%	79.43%	83.64%	79.59%	77.29%	77.01%	78.91%
Citizens Bank of Mukwonago	\$212.7	75.56%	73.06%	72.44%	68.64%	71.10%	70.39%	71.87%
Heritage Bank & Trust Company	\$782.7	71.78%	72.74%	70.62%	68.05%	70.39%	68.99%	70.43%

Loan-to-Deposit Ratio of M&I Northern Bank, Its Nationwide Peer Group, and Other Local Competitors (Ranked from Highest to Lowest Six-Quarter Average Loan-to-Deposit ratio)								
Waukesha State Bank	\$391.6	63.29%	66.28%	68.10%	65.64%	69.87%	70.31%	67.25%
Tri City National Bank	\$437.9	65.60%	67.80%	68.95%	67.34%	66.63%	64.06%	66.73%
Nationwide Peer Group	N/A	72.13%	72.10%	70.73%	70.65%	70.45%	69.64%	70.95%

Review of loan-to-deposit ratios revealed generally higher lending levels within the assessment area in comparison with the bank's national peer group; the bank's loan-to-deposit ratio ranked among the top ten local lending institutions in the assessment area.

Lending in Assessment Area

The bank's 1996 & 1997 (through June 30, 1997) HMDA data, and small business and farm originations were used to evaluate its lending within the assessment area. The following tables display the bank's 1996 and 1997 lending:

1996 BANK REAL ESTATE LENDING IN ASSESSMENT AREA

PRODUCT	# INSIDE ASSESSMENT AREA	PERCENTAGE
Home Purchase	69	86%
Refinance	33	72%
Home Improvement	22	22%
TOTAL	124	82%

1997 BANK REAL ESTATE LENDING IN ASSESSMENT AREA*

PRODUCT	# INSIDE ASSESSMENT AREA	PERCENTAGE
Home Purchase	33	85%
Refinance	15	75%
Home Improvement	7	10%
TOTAL	55	83%

*New real estate loans through June 30

The bank's real estate loan data indicated that 82% of 1996 and 83% of 1997 loans were

within the assessment area. Review of the bank's 1996 data for new small business and farm loans revealed that the bank made a combined total of 1,135 loans during the year. Approximately 92% (1,040 loans) were within the assessment area. Four of the five farm loans extended in 1996, were within the assessment area. Review of the bank's 1997 small business and farm new loan reports revealed that the bank originated 735 small business and five farm loans, through June 30; 707 loans (95%) were originated within the assessment area.

Geographic Distribution

The geographic distribution of the sample of business, farm and real estate loans was reviewed to assess the bank's lending within the assessment area and penetration in low- and moderate- income census tracts. The bank's assessment area contains a total of 361 census tracts. Approximately 40% of the census tracts in the assessment area are low or moderate-income, based upon the following distribution: 78 low- income census tracts, 68 moderate-income census tracts, 148 middle- income and 67 upper- income census tracts. Approximately 30% of the population in the assessment area resides within low- or moderate- income census tracts. The geographic distribution of 1996 small business and farm lending is highlighted in the following table:

1996 Small Business and Farm Lending by Geography		
Income Level	Number of Loans	Percent
Low	48	4.6%
Moderate	69	6.6%
Middle	442	42.5%
Upper	481	46.3%
TOTAL	1,040	100.0%

Review of the bank's 1996 small business and farm lending information revealed that approximately 11% of total small business and farm loans were extended in low or moderate-income census tracts. Small business or farm loans were extended in less than 50% (173 different census tracts) of the census tracts in the assessment area. Clusters of census tracts where the bank did not originate loans were noted in Milwaukee County, however, the majority of these census tracts were surrounding M&I Marshall & Ilsley Bank offices.

1997 Small Business and Farm Lending by Geography
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Income Level	Number of Loans	Percent
Low	22	3.0%
Moderate	43	6.0%
Middle	282	40.0%
Upper	360	51.0%
TOTAL	707	100.0%

Review of 1997 small business and farm lending (through June 30) revealed that the bank extended a total of 707 loans in the assessment area during the period; approximately nine percent (65 loans) were extended within low- or moderate- income census tracts. Review of loan dispersion throughout the assessment area revealed that loans were originated in 33% of the census tracts comprising the assessment area (119 different census tracts).

Review of the bank's 1996 real estate lending by geography, is depicted in the following table:

1996 & 1997 Real Estate Originations by Census Tract Income Level								
Product	Low Income Tracts		Mod. Income Tracts		Mid. Income Tracts		Upper Income Tracts	
	1996	1997	1996	1997	1996	1997	1996	1997
Home Purchase	2	0	10	5	23	12	34	16
Refinance	0	0	1	2	10	9	22	4
Home Improvement	4	0	4	2	10	3	4	2
TOTALS	6	0	15	9	43	24	60	22

Review of 1996 real estate lending revealed 17% of the bank's originations were generated in low- or moderate- income census tracts (21 of 124 total originations). Through June 30, 1997, approximately 16% of the bank's originations were generated in moderate- income census tracts (9 of 55 originations).

Borrower Characteristics

The bank's loan reports of 1996 & 1997 new small business, farm and real estate loans were reviewed to assess lending to businesses/farms of different sizes and borrowers of different income levels. The distribution of the bank's 1996 and 1997 small business and farm loans by loan amount is highlighted in the following charts:

1996 Small Business & Farm Loan Originations by Loan Amount						
Loan Type	Loans \$100,000 or Less		Loans \$100,000+ to \$250,000		Loans Greater than \$250,000	
	#	\$	#	\$	#	\$
Small Business	627	26,320,000	205	36,765,000	204	103,837,000
Farm	0	0	4	610,000	0	0
TOTALS	627	26,320,000	209	37,375,000	204	103,837,000

1997 Small Business & Farm Loan Originations by Loan Amount						
Loan Type	Loans \$100,000 or Less		Loans \$100,000+ to \$250,000		Loans Greater than \$250,000	
	#	\$	#	\$	#	\$
Small Business	558	12,226,000	60	11,462,000	83	45,508,000
Farm	5	62,000	0	0	0	0
TOTALS	563	12,288,000	60	11,462,000	83	46,108,000

As depicted in the tables above, the majority of the bank's lending in 1996 and 1997 were loans for amounts of \$100,000 or less. Review of the bank's small business and farm lending reports revealed that 42% of the bank's 1996 and 1997 lending in the assessment area (439 of 1040 loans in 1996; 294 of 707 loans in 1997) was to businesses or farms with gross annual revenues of one million dollars or less.

Review of the bank's 1996 & 1997 new real estate loan reports revealed that the bank originated 124 new loans in 1996 and 55 loans through June 30, 1997. Approximately 19% of the bank's 1996 originations (10 low- income and 13 moderate- income) were to low- or moderate- income applicants. Through the first half of 1997, the bank originated 13 loans (24%) to low- or moderate- income applicants. These loan totals do not reflect the bank's special loan programs targeted to meet the credit needs of loan and moderate- income borrowers. Among the special real estate loan programs offered by the bank are; M&I Neighborhood Loan Program (NHLP), WHEDA Home Improvement Loan Program, WHEDA Home Program. The following table depicts the bank's lending under these programs in 1996 and 1997 through October:

Loan Program	Number	Dollar
NHLP	1*	\$41,700
WHEDA (HIP)	14	\$122,686

Loan Program	Number	Dollar
WHEDA (HOME)	17	\$940,000

*36 loans for \$1,121,251 are outstanding under the program

Community Development Lending

The bank participates in community development lending targeted to businesses and organizations that service or employ low- and moderate- income individuals and communities.

The follow chart highlights some of the bank's community development loans for 1997:

Loan Amount	Community Development Purpose
\$100,000	Line of credit to a nonprofit residential counseling center serving a low- and moderate- income community.
\$500,000	Working capital line for a hospital located in and serving a moderate- income community.
\$67,365	Loan to a neighborhood organization (located in a low- income census tract) for the purpose of buying and managing run-down duplexes in the neighborhood.
\$45,000	Loan to local redevelopment corporation (located in a low- income census tract) for home improvement program.

CONCLUSION

The bank's overall lending performance is considered strong. The bank's loan volume as evidenced by a six-quarter average loan-to-deposit ratio over 90%, generally exceeded the majority of its local competitors. A substantial majority of the bank's 1996 and 1997 lending was within the assessment area. The bank makes use of programs with flexible lending criteria targeted to low- and moderate- income borrowers, and demonstrated reasonable penetration of loans to small businesses and low- to moderate- income borrowers. Based upon the bank's asset size and affiliate locations/competition, its lending penetration within low- and moderate income census tracts is considered reasonable.

INVESTMENT TEST

The bank's investment portfolio, grants and donations that contribute to local community development efforts were reviewed. Investments were also reviewed for innovativeness and responsiveness to the community development needs within the bank's assessment area. Interviews with community representatives revealed that the bank's assessment area is one that offers significant opportunity for qualified community development investments and grants. However, some of the community development organizations in the area have ceased operations or merged with other organizations due to financial/management problems.

Degree to Which Investments Are Not Provided by Private Investors

The bank provided a low level of investment in the form of grants, which support the ongoing operating expenses of community nonprofit organizations in its assessment area. Operating grants, which are essential to the ongoing viability of these organizations, are not routinely available from private investors. The bank has donated a total of \$11,730 in 1996 and \$13,750 in 1997. Examples of the larger grants made are \$3,000 to the Wauwatosa Economic Development Corporation, and a total of \$8,500 to United Way of Greater Milwaukee with \$4,250 going to Sherman Park Community Association and \$4,250 going to NHS. Discussions with corporate management revealed that M&I Milwaukee as a matter of course provided local (Milwaukee & Waukesha County) grants with portions intended to be pro-rated for local area affiliates such as M&I Northern. Waukesha and Milwaukee County investments by Marshall & Ilsley or M&I Corporation are highlighted in the table below:

ORGANIZATION	AMOUNT	DESCRIPTION
LISC NHS Hope House Esperanza Unida Womens Business Initiative Corp	\$153,750	M&I Foundation grants
Lincoln Neighborhood Redvelopment Corporation	\$20,000	Yearly operating expense grant
NHS Revolving Loan Fund	\$235,000	L&M housing development
Waukesha County Lenders Consortium	\$50,000	Recapitalization
Housing Partnership Corp and Housing Equity Fund	\$4.06 million outstanding	Housing partnership to purchase tax credits toward affordable rental housing units

Responsiveness to Available Opportunities

Review of the bank's overall lending performance indicate that the bank exhibits adequate responsiveness to credit and community development needs. Discussions with community representatives indicate available opportunities for bank investments and grants; however, no criticisms were made about the bank's level of investment.

CONCLUSION

The bank's performance under the investment test is considered low satisfactory. The bank's assessment area offers numerous opportunities for qualifying investments; however, the bank's files reflected a limited amount of investments and grant activity, in comparison to available opportunities. Additional discussions with corporate management revealed other local qualifying activity of which was intended on behalf of the bank. M&I Milwaukee is one of the largest competitors of M&I Northern; with consideration given to local affiliate investment, the bank level of investment is considered adequate.

SERVICE TEST

The bank's systems for delivering retail banking and community development services were reviewed. Bank services were reviewed for range and accessibility, innovativeness and responsiveness, and alternative systems used for delivering those services. In addition, the distribution of bank's branches, record of opening and closing branch offices and community development service activity were reviewed.

Retail Banking Services

M&I Northern Bank is a full-service bank, with three full-service branches, two deposit taking location and four ATM's located throughout Waukesha and Milwaukee County. The bank provides a wide range of loan and deposit products. In addition to extending residential mortgage loans directly, the bank also acts as an agent for its affiliated mortgage company. This affiliation enables the bank to extend types of mortgage loans being sought by community members, but which are typically suitable for bank loan portfolios.

Distribution of Branches Among Geographies

The bank operates one office in a moderate-income census tract, while four branches are located in middle- and upper-income census tracts. The following chart lists the branch locations with corresponding hours of operation.

BRANCH LOCATIONS AND HOURS OF OPERATION			
Branch Name/Address	Census Tract	Lobby Hours	Drive-up Hours
Brookfield Capital 20725 W. Capital Drive Brookfield, WI 53045	200801	Monday-Thursday 8:30am-5pm, Friday 8:30am-6pm, Saturday 9am-12pm	Monday-Thursday 7:30am-5:30pm, Friday 7:30am-7pm, Saturday 9am-12pm
Brookfield Main Office 3155 N. 124th Street Brookfield, WI 53005	200901	Monday-Thursday 8:30-5pm, Friday 8:30am-6pm, Saturday 9am-12pm	Monday-Thursday 7:30-6pm. Friday 7:30-7pm, Saturday 9am-12pm
Fond du Lac* 3536 W. Fond du Lac Avenue Milwaukee, WI 53216	004800	Monday-Thursday 8:30-5pm Friday 8:30am-6pm	Monday-Thursday 8:30am-5:30pm Friday 8:30-7pm Saturday 9am-12pm
Harwood 8200 Harwood Avenue Wauwatosa, WI 53213	091200	Tuesday-Thursday 9am-1pm	No Drive-up Hours
Milwaukee Chai Point 1400 N. Prospect Avenue Milwaukee, WI 53202	010900	Tuesday-Thursday 9am-1pm	No Drive-up Hours
* Branch is located in a moderate-income census tract.			

The bank provides flexible hours and days of service. The three full service branches are accessible to limited portions of the bank's assessment area; however, the assessment area overlaps with the assessment areas of M&I Marshall & Isley, M&I Menomonee Falls and M&I Lake Country. Even though the M&I Northern branches may not easily accessed by its entire assessment area there are 13 other M&I affiliate branch locations in Waukesha County and 28 affiliate branch locations in Milwaukee County.

Record of Opening and Closing Offices

The bank has not closed or opened any branches since the last examination.

Alternative Systems for Delivering Retail Banking Services

The bank has increased its accessibility by the use of alternative systems for delivering retail banking services in low- and moderate-income census tracts and to low- and moderate-income individuals. The bank has established Automatic Teller Machines which are part of the TYME network and can be accessed anywhere in Wisconsin. The bank has four ATM's throughout its assessment area and its affiliates operate an additional 220 ATM's within the state, which can be accessed by all M&I Northern customers at no fee.

Additionally, the bank offers M&I Direct, a toll-free number which provides 24-hour access, seven days a week. M&I Direct has a variety of functions such as: check account balances; verify that a specific check has cleared; stop payment on a check; apply for a loan; and open an M&I account. The bank also offers the Mortgage Assistance Helpline, a on-call program

to provide after-hours information for Realtors (Monday through Friday from 5:00pm to 9:00pm).

Community Development Services

The bank provides community development services to various organizations through employee involvement, technical assistance, and the use of targeted programs. Examples of the bank's community development services are listed in the chart below.

COMMUNITY DEVELOPMENT SERVICES		
Service	Organization	Type of Service
Guest Lender/Speaker	ESHAC, Inc. (formerly East Side Housing Action Council) is a non-for-profit corporation, serving the needs of the Riverwest and near northside of Milwaukee. Services provided by the organization includes housing, rehab, low-income housing, housing counseling, and referrals.	Lender and presenter for the First Time Homebuyer seminars.
Guest Lender/credit counselor	Neighborhood Housing Service (NHS) is an organization that provides housing for low- and moderate-income individuals.	Guest lender and credit counselor at Homebuyer Education Workshop
Member	New Opportunities for Home Ownership in Milwaukee (NOHIM) purpose is to increase access to home mortgage for low- and moderate-income Milwaukee residents primarily through innovative partnership arrangements between Milwaukee's lenders and community based home buyer counseling organizations.	Attend meetings a M&I Northern representative to NOHIM regarding lending products, programs, service and resources for the Milwaukee area mortgage market.
Counselor/presenter	WHEDA - The Wisconsin Housing Economic Development Authority provides interest rates that tend to be lower than conventional and federal loans and allows an individual to have only 3% down.	Volunteer to review credit bureaus and counsel. Acts as presenter at WHEDA Seminars.
Board member/co-chairman of WBDFC loan committee.	Wisconsin Business Development Finance Corporation (WBDFC) is a business development organization.	Focus is to make loans to small business for job creation.
Member of business finances and assistance committee	30th Street Industrial Corridor Corporation is a business development organization.	Working to meet financial needs of business owners throughout the Industrial Corridor Corp. area to create jobs and professional opportunities for low- and moderate-income workers.

Review of the bank's internal CRA files revealed that officers, directors and staff are actively involved in a number of local organizations that provide direct and indirect support of local community development. Bank employees have devoted considerable time and expertise to various organizations. Discussions with management indicated employees are encouraged to participate in local community organizations and to understand the importance of their community involvement to the bank; when possible, employees are allowed to attend meetings on bank time

Innovativeness and Responsiveness

The bank is responsive to credit and community development service needs. The bank's CRA files reflect willingness to consider and participate in organizations or programs that service community needs. An example of responsiveness is the bank's two deposit taking facilities located in retirement homes for the convenience of senior citizens. Due to mail theft, the bank is taking utility bill payments at the Fond du Lac office, which is a moderate-income census tract. An example of innovativeness is the bank's involvement in the Personal Economics Program (PEP). This program is established to teach students personal finance and about the banking industry. M&I Northern Bank has introduced the A Bank Office at School® which enables students to open M&I savings accounts and make deposits to the account at school. In addition, students are interviewed and trained as tellers along with a lesson on money management.

Range and Accessibility of Services Provided to Geographies

Three of the office locations are full service, offering services and products that meet the needs of the assessment area, including low- and moderate-income geographies and individuals. In addition to regular banking services the bank offers the following services:

- C Basic Checking - This product has no minimum balance, and 10 free checks per month with 50 cents charge for anything in excess of the 10 checks.
- C Direct Deposit - This service is available to all bank customers who are employed by companies offering this payroll feature.
- C Small Business Specialist - All of the bank's commercial lenders are WHEDA and SBA lenders dedicated to working with women or minority owned businesses (based upon 51% ownership guidelines)

CONCLUSION

The bank's direct delivery system of service is accessible to limited portions of the assessment area; however, the bank does have alternative means for all areas to access to services through its affiliate offices in Milwaukee, and banking features such as M&I Direct. Business hours and services are reasonable and the bank provides a relatively high level of

community development services. The bank has not closed or opened any branches since its 1995 F.D.I.C. examination.